GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2295
ANSWERED ON:06.05.2016
Indebtedness of India
Laguri Smt. Sakuntala

Will the Minister of FINANCE be pleased to state:

(a) whether the external debt of the country has witnessed an increase in 2015-16;

(b) if so, the quarter-wise details of the Government and non-Government external debt in 2015-16 along with the reasons for this increase in external debt;

(c) the value of foreign exchange paid as interest on such loans/debts during each of the last three financial years; and

(d) the various efforts made by the Government to reduce the burden of the said interest along with the outcome thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI JAYANT SINHA)

(a) As per the latest available data, India's total external debt stock stood at US$480.2 billion at end-December 2015, recording an increase of US$ 4.9 billion (1.0 per cent) over the level at end-March 2015 and US$ 21.4 billion (4.7 per cent) over end-December 2014. However, on a sequential basis, total external debt at end-December 2015 declined by US$ 1.2 billion from the end-September 2015 level.

(b) The details of the quarter-wise Government and Non-Government external debt in 2015-16 are given below. The data for the fourth quarter i.e. end-March 2016 is not released yet. Total external debt has declined marginally in end-September and end-December 2015.

(US$ million)

S.No.	End-June 2015	End-September 2015	End-December 2015
1	Government Debt	89,476	88,805	90,676
2	Non-Government Debt	393,208	392,532	389,504
3	Total External Debt	482,684	481,337	480,180

(c) Interest paid on external debt during the last three financial years in US dollar terms is given below.
(US$ million)

S.No.	End-March
1	2012-13	10,944
2	2013-14	11,175
3	2014-15 PR	12,602

PR: Partially Revised
(d) India's external debt has remained within manageable limits as indicated by the external debt indicators. The prudent external debt management policy of the Government of India has helped in containing rise in external debt and maintaining a comfortable external debt position. The policy continues to focus on monitoring long and short-term debt, raising sovereign loans on concessional terms with longer maturities, regulating external commercial borrowings through end-use, all-in-cost and maturity restrictions; and rationalizing interest rates on Non-Resident Indian deposits. As a result, India's external debt to GDP ratio remained at a comfortable level of 23.8 per cent in 2014-15.